

American Observer

A free, virtuous, and enlightened people must know well the great principles and causes on which their happiness depends.
—James Monroe

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Amendment Sought For Neutrality Act

Administration Seeks to Alter
Law to Favor Democracies
in European Conflict

CONGRESS DIVIDED ON ISSUE

Many Feel that Strict Neutral Position
Is Only Way to Avoid U. S.
Involvement in War

Should there be a change in the Neutrality Act, and, if so, what should it be? That is one of the most important questions with which the present Congress must deal. It is important because it vitally affects American foreign policy. Upon the answer to that question may depend the even more important issue of whether the United States should take part in a war if one breaks out in Europe, or whether we should stay out. Before we discuss the proposals for a change in the law which will be debated this month in Congress, it will be well to examine the historical background of the neutrality problems which now confront us. Let us inquire then, first, what the neutrality policy of this country has been during the greater part of its history; second, what changes have been made during the last four years; and third, what further changes are now proposed.

Historical Background

During the entire period of American history until 1935 the United States carried on trade with countries at war under rules which were generally recognized among nations. The practices which prevailed were known as international law, and they were fairly clear and understandable. Here are the more important of these rules:

When a war was in progress a nation not desiring to enter the war and not wishing to take sides had certain rights as a neutral nation. The people of the neutral nation might carry on trade with a nation at war; that is, a *belligerent* nation, under certain conditions. One of these conditions was that if the citizens of a neutral nation undertook to sell materials used directly in the carrying on of war, materials such as guns, ships, or munitions of any kind, they did so at their own risk. If, for example, England and France were fighting and American citizens tried to sell guns to the French, the British might capture the guns. They might even capture the ship which was carrying them, and the American company which made the sale could make no legal complaint.

Materials of this kind were called "contraband" of war. Often there were quarrels as to what constituted contraband, and the governments of the belligerent nations made lists of the articles which they claimed were used directly in the carrying on of a war and which were therefore contraband.

Goods other than contraband, such as food, clothing, and other articles, could be sold by the citizens of a neutral nation to belligerents and such goods could not be captured by the enemy of the nation to which they were sold unless the ports of that nation were actually blockaded. If, for example, England and France were at war, Americans had a right to sell goods to the French unless the British had established a blockade of French ports. It could not, however, be a mere *paper* blockade.

(Concluded on page 8)



THE WHEAT FIELDS OF RUMANIA

Rumania Is Brought Within Nazi Sphere

Germans Gain Impressive Control
of Resources Under New
Trade Agreement

LONDON AND PARIS ACTIVE

They Still Hope to Include Rumania and
Poland in "Stop Hitler" Bloc
Now Being Formed

Although Hitler's occupation and annexation of the territory of Memel has undoubtedly been the most spectacular of his adventures following the recent and similar occupation of the Czech provinces, when one considers the forces at work in Europe today, its real importance is slight.

The return of Memel to Germany has, in fact, long been expected. This small strip of territory lying along the Baltic coast between Lithuania and East Prussia was wrested from Germany by Lithuania in that period following the World War when Germany was too exhausted to resist. The Lithuanians wanted it because they had no good port of their own, outside a few fishing hamlets, and the port of Memel was one of the best on the eastern Baltic coast. But otherwise the Memel territory, only about the size of Rhode Island, and populated by no more than 150,000 people (an overwhelming majority of whom are German) was of negligible importance. As Germany grew more powerful in relation to Lithuania, which has remained one of the weakest states in Europe, the return of Memel to the Reich was viewed in those regions as merely a question of time. Thus its recent annexation by Hitler has not greatly disturbed the remainder of Europe.

Treaty with Rumania

Far more important is the trade treaty between Germany and Rumania which was concluded upon the very day the occupation of Memel was being effected. The treaty is one of the most curious of recent years. And it is also one of the most important, because although it is in form a trade treaty, in effect it is much more. It gives to Germany such power and influence in Rumania, and at such little cost, that it represents one of the most remarkable of Hitler's victories.

Rumania has long been an object of Nazi ambitions in southeastern Europe. Nearly twice the size of Oregon, and populated by more than 18,000,000 people, it is the largest state in that region of Europe. But what has made it more attractive to German eyes has been its wealth of resources. With less than one-sixth of Germany's population, Rumania's excellent black soil produces as much grain as all Germany, and could produce much more, if developed. Chiefly, however, Rumania is important for her petroleum resources. In these days of Diesel engines, automobiles, trucks, aircraft, and other such machine-driven necessities, oil is more than important—it is vital. Yet the continent of Europe is very deficient in this precious fluid (outside of Russia). Rumania alone produces oil in quantity on that continent—more oil and natural gas, in fact, than all the rest of Europe combined (again excluding Russia). But due to inefficiency, poor organization and management, as much as three-quarters of the oil is wasted. The same inefficiency and lack of organization

(Continued on page 3)

If There Is To Be Peace

No one can read the news coming from Europe these days without realizing that the world is passing through a very dangerous period. The danger which is clear to every mind is the danger of war and all the destruction that goes with it. But there is another peril not so apparent but just as real—the danger that there may be built up among the peoples of the earth a feeling of such hatred and suspicion that peace and order will be an impossibility and that chaos will be the inevitable consequence.

We cannot ignore, at times such as these, the possibility of war, but we should be on guard against the assumption that war itself can solve any great human problem. It may or may not be necessary for the democratic nations to combine against the aggressive Hitler to keep him and his militaristic and ruthless followers from gaining dominion over a large part of the earth. But it would be a mistake to assume that the world can have peace merely by getting Hitler out of the way. Many people thought a generation ago that there would be peace and order in the world if the Kaiser were put out of the way and if the German threat were extinguished. The folly of that notion is now apparent. The Kaiser was put out of the way and Germany was defeated. A few years after this defeat, however, the German hordes were again on the march and civilization was threatened to a far greater degree than it was in 1914.

The trouble was that a healing peace was not built upon the ruins of German militarism. The victors did not realize that permanent peace and happiness in the world was an impossibility unless prosperity was achieved for all the peoples of the world, including the Germans. There was constructive work, a work of statesmanship, to be done; and it was as necessary that this constructive work be accomplished as that the Kaiser be defeated.

There is still need of constructive work. There is need today that we have full sympathy for the people of all parts of the world and this includes the German people. The danger is that along with our opposition to aggression and ruthlessness on the part of certain national leaders there may develop a hatred of peoples, and the peoples of the different parts of the world are very much alike and all of them are entitled to sympathy and good will. Not only that, but all of them must enjoy prosperous conditions if there is to be security in any country. What we need today, therefore, is to study the conditions under which all people may be able to trade freely, to develop their industries, and to enjoy the good things of life. That constructive study must be a part of our planning for peace and world order. We must study these great world problems with sympathy and tolerance and good will even while seeking the most effective means of preventing world domination by the greedy and the ruthless and the overambitious. There are millions of people who seem incapable of tolerance and good will. There are people who grow hysterical and who are inspired by hate whenever national difficulties arise. That is why it is essential for students, who of all people should be the most reasonable, to exercise tolerance and judgment.

Facts About Magazines

XIV. The Christian Century

ALTHOUGH it was established as a purely religious journal, and remained so during the early decades of its existence, *The Christian Century* has come to occupy a prominent position among the magazines which deal with outstanding contemporary problems. It is called "an undenominational journal of religion," and while religious subjects are still treated in its pages, its editors have succeeded in making



CHARLES C. MORRISON

it a highly respected and scholarly journal on present-day problems. It is read and respected not only by Protestants but by Catholics and Jews, as well as by persons who profess no religious faith. Under a different name, *The Christian Century* was launched 50 years ago as the publication of the Disciples of Christ denomination. With the opening of this century, the present name was adopted. Thirty years ago it was purchased at a sheriff's sale by Dr. Charles Clayton Morrison, who is still editor and who at that time was pastor of a Disciples church on the west side of Chicago. The magazine continued as a denominational organ until shortly after the World War.

During the war period, Dr. Morrison had become convinced that there was an opening in this country for a paper that would speak from within the world of religion but without denominational bias or obligations to any religious communion or organization. The whole policy of the magazine was thus transformed.

The CHRISTIAN CENTURY

Published Weekly

What Kind of Peace In Spain?

An Editorial

Nazi Shadow Over Switzerland

By William B. Chamberlain

Should the Neutrality Law Be Repealed?

An Editorial

Liberalism Confirmed

By Edward Scribner Ames

15 Cents a Copy • March 22, 1939 • Four Dollars a Year

(Reproduced by courtesy of The Christian Century.)

The change in conception can be dated from about 1920. At that time, the paper strongly opposed the ratification of the Treaty of Versailles and entrance into the League of Nations by the United States. A few years later, it took a leading part in the campaign for the outlawry of war,

which culminated in the signing of the Kellogg-Briand Pact. Dr. Morrison himself was invited to be present at the signing of the Pact in Paris.

The purpose of *The Christian Century* is, according to its editors, "to interpret religion in terms of contemporary life. It regards as religious problems all matters affecting man's environment." Its emphasis is largely upon international affairs and it has a strong editorial policy. It referred to President Roosevelt's message to Congress as an "Invitation to a Holy War." It is opposed to any policy which might embroil the United States in a foreign war. It has taken a strong stand against revision of the Neutrality Act.

In basic philosophy, *The Christian Century* has been accused of being radical. Such accusations are totally unfounded and are the same as those leveled at other journals of opinion which are liberal in tone. Its editorial staff is composed of outstanding liberal journalists, including, in addition to Paul Hutchinson, who is managing editor, Kirby Page, Robert A. Ashworth, Herbert L. Willett, Neinholt Niebuhr, Joseph Fort Newton, Lynn Harold Hough, Alva W. Taylor, Thomas Curtis Clark, and Fred Eastman.

In format, *The Christian Century* resembles magazines like *The Nation*, *The New Republic*, and *Common Sense*. It is not illustrated. Each issue begins with 10 or 12 short editorial paragraphs discussing the outstanding developments of the week. There then follow two longer editorials explaining some problem and giving the editor's position with respect to it. Then there are three or four longer articles contributed by outside writers and discussing subjects of contemporary interest.

In a late issue of *The Christian Century*, there are longer editorials discussing the problem of peace in Spain and the arguments against repeal of the Neutrality Act. There is a longer article by William B. Chamberlain on the extent of Nazi influence in Switzerland.

Each weekly issue of the paper contains a number of excellent reviews of outstanding books, together with a section of correspondence from readers, and an interesting department called "News of the Christian World," in which comments from different parts of the country are contributed.

With the Magazines

"In an Era of Unreason," by Nathaniel Peffer. *Harpers*, March 1939, pp. 337-343.

To the question, "Can America Stay Out of War?" Mr. Peffer answers, "Yes, but she won't because she won't want to." He believes that the only chance we have to stay out of any war will be determined by how well armed we are. If sufficient force is arrayed by nonfascist countries immediately, he thinks the fascist bloc may play itself out without an open conflict. Therefore, says Mr. Peffer firmly, America must arm.

"When Doctors Are Wrong," by Alvin F. Harlow. *Forum*, March 1939, pp. 115-120.

The outstanding idea of this article is that medical science has made enormous strides of progress in everything in the last decade except in its ideals of service. Mr. Harlow recommends that the medical profession turn its attention to the need of better distribution of medical and surgical skill at fairer prices. What we need, he thinks, is less professional courtesy and more services.

"Dictators Into Gods," by Eugene Lyons. *American Mercury*, March 1939, pp. 265-272.

Eugene Lyons penetrates the mass of mythology, publicity, rumor, and mystery around the present-day dictators with the conclusion that these men are being almost literally deified as supermen or gods in the countries that they rule. In the dictatorship countries, this



THE PRIME MOVERS OF THE ROME-BERLIN AXIS AS THEY MET IN THE ITALIAN CAPITAL.

British Foreign Policy Criticized by Schuman in "Europe on the Eve"

HOWEVER tragic may be its ultimate consequences, there is no more exciting drama in the annals of modern history than the extension of Hitler's power, first over Germany and later over a greater part of the European continent. It is doubtful whether even the Napoleonic wars had a more profound effect upon the course of European history than the Nazi extension of power is likely to have.

In one of the most fascinating, and at the same time scholarly books of recent years, "Europe on the Eve" (New York: Alfred A. Knopf, \$3.50), Professor Frederick L. Schuman tells the history of the years since Adolf Hitler assumed control of the German Reich. It is not a pleasant book, nor is it optimistic with respect to the future.

It is the conviction of Professor Schuman that the policy of the British government during the last several years has been directly responsible for the turn of events in Europe. The ruling classes of England, he charges, both the Conservatives who run the government and the business and financial interests, had no objection to seeing Hitler extend his influence over a large part of Europe. Long before the Munich "settlement," British

rulers were aware of Hitler's ambitions.

Professor Schuman contends that the whole performance of last September was in the nature of a farce, or at least of a melodrama, with Chamberlain flying to Berchtesgaden, to Godesberg, and later to Munich to save the peace of Europe. There was no need for Chamberlain to fly to Berchtesgaden to learn of Hitler's desires and intentions, says the author. "He already knew them—and approved. Hitler had no need to invite Chamberlain to discover his intentions and desires. He already knew them—and approved. But the execution of their bargain without war, which neither one intended or desired, required war threats, panic, and drama to produce French surrender and British acquiescence. For this the decision to fly to the Reich was the perfect device."

The author goes on to develop this contention further. "The most plausible hypothesis," he contends, "is not that Chamberlain was shocked, confused, and befuddled, first resisting new demands then shrinking back from the brink of war with Germany, regardless of Berlin's demands on Prague. Hitler never contemplated war with France and Britain. The two men understood each other and were agreed that the dramatization of a nonexistent war danger would be desirable for its effects upon British and French opinion. . . . The partition of Czechoslovakia, already assented to in the diplomatic sphere, could not be carried through to a successful conclusion without parliamentary and public support in the democracies. That support was crumbling before a rising flood of protest at the betrayal. Should Hitler launch a local war against Prague in the knowledge that Chamberlain and Daladier would not intervene, this flood might sweep both men from office and precipitate Anglo-French interventions. Here was the actual crisis."

Professor Schuman goes on to tell how this "actual crisis" was resolved. Chamberlain had it appear that Hitler, at Godesberg, made "new" and "more extreme" demands, which "shocked" him and which he pretended to resist. This resistance intensified the war panic and prepared the way for the conference at Munich.

These charges are serious indeed. They may be true or they may not. Despite the general bias against the British government and against the policies of Hitler, "Europe on the Eve" is a serious, closely reasoned, and scholarly book, as well as an engaging one. It traces the background of all the major developments that have taken place since Hitler came to power: the undermining, step by step, of the whole Versailles structure; the collapse of the League of Nations and the system of collective security; the absorption of Austria; the genesis of the Rome-Berlin axis; and the dozens of other developments which make today's headlines.

writer adds, people are coming more and more to substituting worship of their leader and his cult for other religions, and, like followers of older religions, they believe their gods can do no wrong.

"A Young Man's Country," by Salvador P. Lorez. *Asia*, April 1939, pp. 237-239.

In the Philippines today, reports this writer, a strong youth organization is growing up with the chief purpose of preserving their country's democracy—the only democracy that will be left in the Pacific soon. With independence scheduled for 1946, he believes that the opinions and policies of these young people may decide the fate of the islands. The chief issues with which they will have to deal when they come of age will be: the problem of economic readjustment created by separation from the United States, the problem of security against foreign invasion, and the improvement of living conditions among the masses.

"Portrait of Our Father, Thomas Mann," by Erika and Klaus Mann. *Atlantic Monthly*, April 1939, pp. 441-451. This study of Thomas Mann by his children represents much more than a mere personality sketch. Through its description the noted German writer, who is now exiled from his country, appears as a man symbolic of the remnants of the German race who have refused to bow to the Nazi regime. More than anything else this article represents Thomas Mann as a leader against the rule of force. In a period in which the idea of force rules at least half of the world, this article is an interesting and vital answer to the question "Can liberal man survive?"

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Under Terms of New Trade Treaty Nazis Gain Influence in Rumania

(Continued from page 1)

has failed to develop other mineral resources in Rumania, such as manganese, coal, iron, lead, zinc, copper, mercury, bauxite, antimony, and graphite.

Rumanian agriculture is better organized. The peasants constitute 80 per cent of the population, and it is significant that 90 per cent of the farming lands belongs to them, rather than to the feudal landholders so characteristic of other eastern European countries. Yet there has been very little advancement in methods of production, in the planting and harvesting of crops, and in the care of the soil.

It is no wonder that Germany has long looked upon Rumania as a perfect state for the expansion of German interests. Since it occupies the last 250 miles of the lower Danube, Rumania is the natural terminus of Germany's drive for Danubian supremacy. Its undeveloped resources, subjected to German organization, could be brought into German markets, which greatly need them, and could be exchanged for German manufactures. Finally, Rumania, under Nazi influence, would mean a solid line of German influence extending through Czech provinces, Hungary, and Rumania to the Black Sea, cutting off Russia, Poland, and the Baltic States from the rest of Europe.

System of Alliances

But for years there have been imposing obstacles blocking any German penetration of Rumania. The most important of these was the system of eastern European alliances constructed and maintained by France. Rumania was one of these; Yugoslavia and Czechoslovakia were two others. The Rumanian army was organized on French lines and trained by French officers. The king of Rumania, Carol II, was partly of British descent, and much more sympathetic with France and Britain than with Germany. French was spoken in Bucharest court circles. The Little Entente, composed of these three nations, stood with considerable strength and purpose until the Munich agreement, when the groundwork was laid for the complete removal of Czechoslovakia, the virtual fortress that stood between Hitler and Rumania. Yugoslavia gradually drifted out of the Little Entente into Mussolini's Italian orbit, and Rumania was left alone, although Turkey and Russia were friendly.

However the actual steps of the weakening of Rumania's position may have gone, the trade agreement signed with Germany on March 23 has brought about a far-reaching change in Rumania's status, and from a German point of view, it goes a long way in the direction of solving the "Rumanian problem." The treaty itself has not yet been published. But from the brief summary of its terms given out by the Rumanian foreign ministry, it would seem to be drastic in the extreme.

Under its provisions, Germany now undertakes to provide capital and technical assistance to develop and exploit Rumanian oil fields and mines, to establish industries for processing the agricultural products which Germany needs, such as sugar refineries and flour mills. The German technicians and organizers will help to build electric plants, reorganize and enlarge Rumanian railroads, highways, and improve the channels of the Danube River and its great delta. They will spread through the agricultural districts, introducing new machinery and aiding in the development of crops which Germany needs but which Rumania at present does not produce in sufficient quantity.

Widespread German Control

On the face of things, it might seem that such a treaty will prove of great benefit to the Rumanians. And it is very possible that it will.

But in return for these concessions, Rumania must adapt her agriculture, industry, and commerce to the needs of Germany. Rumanian currency must be brought into line with the German mark in the interest of trade. Rumania must turn over to Germany certain "free zones" on the Danube and on the Black Sea for the use of German shipping. Rumania must accept German goods in exchange for the vast quantities of materials which she will ship to Germany, and for the services of German technicians. The Rumanian government will be able to buy its aircraft, its munitions, and machinery only from Germany, because, as a Rumanian spokesman said recently, "I don't see how there will be room for anyone else."

In brief, from the standpoint of industry, agriculture, and commerce, Rumania has become a virtual province of Germany. By the time the treaty has run the full length of its life, five years, Germans and Germany will be well entrenched in Rumania. Rumanian economy will be so closely geared to that of the Reich that it will be very difficult to shift its output to other foreign countries.

In the meantime, what does Hitler plan to do with the "free zones" on the Danube and on the Black Sea? Are they to be used as naval bases for a projected Black Sea naval war against Russia, Turkey, or both? And what of Rumanian political independence? Can it survive the duration of this treaty? Many observers, taking a dark view of the situation on the basis of such facts as have so far been brought to light, believe that Rumania is now actually in the German sphere, and thus weighs in the balance against Britain and France.

But there are some observers, both inside Rumania and out, who do not view the new treaty as bringing Rumania totally under Hitler's thumb. They say that this



HITLER MOVES TO CONTROL RUMANIAN OIL

treaty must be considered as a part of the entire European situation. Rumania, they say, accepted this treaty because she had no other choice. She was virtually presented with an ultimatum, and for the moment she was unable to resist.

Rumania's Weakness

An examination of Rumania's weaknesses substantiates this point of view. Although she has been independent of Turkish rule since 1861, the political corruption, the lethargy and inefficiency of the sultan's governments over a period of 260 years, have left marks which have yet to be completely erased. Within the last 10 years the Rumanian government has been considerably cleaned up, but the effects of its early scandals and incompetence still remain. The army, although impressive in total man power, is poorly equipped in quality, and insufficiently so in quantity. Rumania has no navy to speak of, and only a very small air force. Organization is not what it should be, and the morale is not very high. During the

recent semimobilization of armed forces, there was a great deal of confusion and much delay. Matters are further complicated by the fact that Rumania's best military equipment was formerly bought from Czechoslovakia. Since these plants are now under German control, Rumania cannot obtain replacements for her artillery, machine guns, and so forth without German consent.

A Difficult Position

These factors placed Rumania in a very difficult position recently when Germany demanded that the trade treaty be negotiated. Particularly disturbing were the activities of Hungary. The Rumanian government considered, and perhaps correctly, that Hungary was acting under Hitler's directions. Rumanians feared that he was preparing to back a Hungarian war against Rumania, a very real possibility, since two of Hungary's former provinces, Transylvania and the eastern Banat, lie within Rumanian borders. Hungarians

(Concluded on page 6, column 3)

Activities of Student Government

STUDENT government in one form or another is practiced in hundreds of high schools and the movement is growing rapidly. There is a general feeling that if students are ever to become efficient in democracy they should practice it in dealing with their own affairs while they are in school.

There are many forms of student government. Quite often a student council is elected with representatives from each class. This student council is the general governing body, and it appoints committees to carry on the various activities which are undertaken.

Frequently the council not only handles many problems within the school, but it also associates itself with the councils of other schools. In a number of states, the various schools which have student government have formed state organizations, and not only are there state organizations but there is a general body known as the National Association of Student Officers. This organization holds annual meetings and recommends activities to the schools which belong to it.

The National Association of Student Officers has compiled a list of activities which are handled by the student councils in many different schools. These activities have been reported to the national organization by the local councils. More than 300 different projects, each one of which is being carried out somewhere, are included in the list. Among these projects which are engaging the attention of student councils or other student organizations in high schools the following may be mentioned. The 25 included in the list below are taken from the list of more than 300 published by the national association:

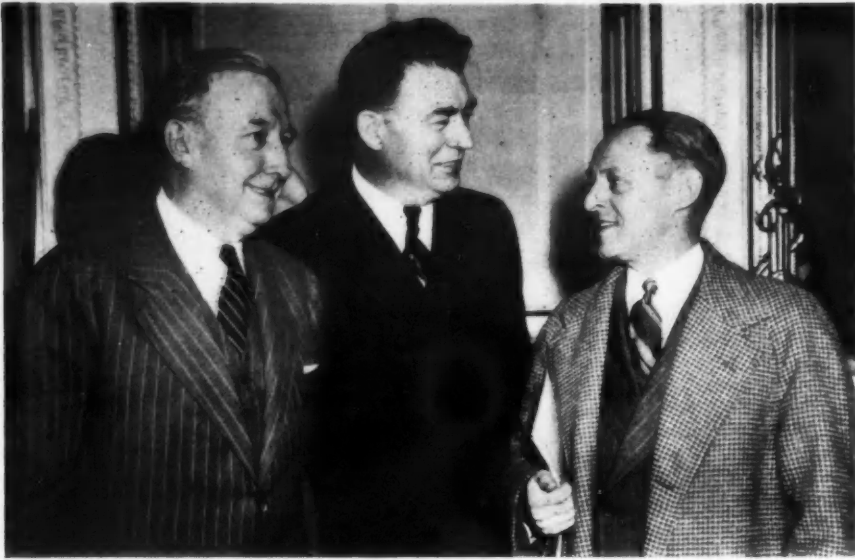
1. Carry on charity work or aid welfare organizations.
2. Raise money for scholarships or scholarship loan funds.
3. Tutor backward or failing students.
4. Collect information about colleges.

5. Publish student handbooks.
6. Help plan commencement exercises of the activity type.
7. Serve as welcoming committee for new students.
8. Run a column or section in the school newspaper.
9. Sponsor debating league.
10. Conduct campaigns for beautification of school grounds.
11. Teach and study parliamentary law.
12. Conduct book exchange.
13. Conduct drives for better school morale.
14. Organize hobby clubs in the community.
15. Conduct song writing contests.
16. Teach better lunchroom and cafeteria manners.
17. Promote courtesy in street, automobile, theater, classroom.
18. Campaign to make the life of the school more democratic.
19. Promote proper behavior in assemblies and at public events.
20. Eliminate petty thieving, cribbing, dishonesty.
21. Arrange lecture courses and outside-talent programs.
22. Introduce students to new school activities and projects.
23. Study accident prevention and work for elimination of hazards.
24. Hold mock political conventions and model sessions of Congress.
25. Send cards to convalescent students and teachers.

Further information about the organization of student councils, the establishment and maintaining of student government in individual schools, and the projects or activities which may be carried on by local student government organizations may be obtained by writing to C. C. Harvey, Executive Secretary, National Association of Student Officers, 5732 Harper Avenue, Chicago, Illinois.



THE TERRITORIES WON BY RUMANIA AT THE END OF THE WORLD WAR



CHAIRMAN ECCLES OF THE FEDERAL RESERVE BOARD CHALLENGES CONGRESS TO BALANCE THE BUDGET (Left to Right: Walter E. Trent, technical director for the Senate Special Silver Committee; Senator Edwin C. Johnson of Colorado, and Mr. Eccles.)

DOMESTIC

Social Security Changes

Every month, the federal government collects many millions of dollars from employers and workers to finance the old-age benefits feature of the Social Security Act. Each of the more than 40 million persons now included under the program pays one per cent of his month's salary to the government, and his employer pays the same amount. During 1937 and 1938, \$966,000,000 was collected from these taxes.

Only a small portion of this amount—\$11,000,000, to be exact—was paid out in pensions during the two years. The rest went into a reserve fund. According to the Social Security Act, this reserve fund is to be built up to 47 billion dollars by 1980. But many experts do not believe such a tremendous



AMERICA'S FIRST LINE OF DEFENSE
GRESSLER IN NEW HAVEN JOURNAL-COURIER

reserve is necessary; in fact, they say it is unwise to accumulate such a huge reserve.

A few days ago Secretary of the Treasury Morgenthau proposed that the law be changed to cut down the reserve to two and one-half or three billion dollars, instead of 47 billion. Evidently he was speaking with the full approval of President Roosevelt.

Secretary Morgenthau also suggested that the Social Security Act be changed to reduce the taxes collected to finance the old-age benefits. At present, the tax rate is two per cent. According to the provisions of the Act, it is to increase to three per cent in January of 1940. Secretary Morgenthau would change the law so that the tax rate would not increase at all next year, or at the most only to two and one-half per cent.

There seems to be general agreement on the wisdom of these changes; indeed, Republicans and other critics of the Roosevelt administration have been clamoring for them for a long time. There is a very good reason for Secretary Morgenthau's bringing them forward at this moment, however, and that

is the government's program to encourage business recovery. The change in the tax rate would mean a saving to business firms of more than 200 million dollars during 1939 and 1940. That money could be spent for other purposes, instead of being paid to the government.

Government Economy

The argument between the "spenders" and the "economizers" in Washington took an unexpected turn recently, when Marriner S. Eccles, chairman of the government's Federal Reserve Board, told a congressional committee that Congress should take action to cut down expenditures and balance the budget immediately. Mr. Eccles has been one of the most outspoken "spenders." He has insisted that the federal government must continue to spend more money than it is taking in as long as private interests are not spending.

Mr. Eccles has not changed his mind. He still believes that the government should spend. But, he said, it is evident that a majority of the people in the United States believe that the budget should be balanced, that the government should not continue to spend so lavishly. And since we live in a democracy, he continued, the will of the people should rule—Congress should move at once to balance the budget. Mr. Eccles does not believe that it is a wise thing to do; in fact, he said that such a policy will have "disastrous results." "This would not be my program," he continued, "but if, as would appear, it is the program of the majority, they should assume full responsibility for it and put it into effect without delay and without compromises . . ."

Thus Mr. Eccles put the matter of economy squarely up to Congress. Those senators and representatives who have been criticizing President Roosevelt and his advisers for their spending program now are faced with the problem of cutting down expenditures. As Mr. Eccles pointed out, Congress votes on all appropriations. It can cut down expenditures by the simple means of not voting money for them.

That, of course, is easier said than done—as Mr. Eccles undoubtedly knew when he suggested it. Many congressmen speak in favor of economy, but they hesitate to vote against an appropriation which will benefit the voters of their districts. But by his statement, Mr. Eccles has invited Congress to act. It will be interesting to see what action, if any, will result.

Reorganization at Last

President Roosevelt has finally won his battle with Congress over the right to reorganize the executive branch of the government, it seems. Both the House of Representatives and the Senate have passed bills giving the President that right. The bills are not quite alike, so a conference committee from the two houses will have to iron out their differences, but that should not take long.

Reorganization has been a political football for more than two years. Everyone

The Week at Home

What the People of the World

agrees that the complicated machinery of government needs to be changed so that it will operate more smoothly and more efficiently. But Congress has been reluctant to give the President much power, for fear that he will use it for political purposes—or to destroy some of the political advantages which the legislators now have.

The present bills restrict the President very definitely. There are a number of agencies which he cannot touch; he is required to submit his proposals to Congress, and if a majority of the legislators disapprove of them, they are vetoed. In spite of these restrictions, however, the bills do permit the President to make a number of changes which should improve the governmental machinery. No doubt a number of such changes will be outlined soon after the bills become law.

come of \$20,000, the tax would be \$60; on \$20,000, it would be \$10,240; on one million dollars, it would be \$989,020. In other words, it would be almost impossible for any person to do more than earn a living while the war was going on. Certainly it would be impossible for anyone to amass a huge fortune, such as was done during the World War.

This is not a new proposal. It was first brought forward four years ago, after Congress had investigated the profits made by munitions manufacturers. Those who favor it believe that by removing the opportunity to profit from war, such a law would greatly reduce the danger of our becoming involved

Fire in the Everglades

More than four thousand square miles in southern Florida are included in the section known as the Everglades, a swampy land broken by rivers and lakes. Much of the Everglades is covered by a rich, black muck or peat, to the depth of several feet. This muck is formed by decaying vegetation, and it is the result of millions of years' growth. Farmers have found that it is extremely fertile, especially suited to the growing of fruits and vegetables.

For more than a month now, swamp fires have been burning in the Everglades. Great clouds of smoke have drifted over the cities along the state's eastern coast. The fires have stripped the land of the long sawgrass and the palmettos which cover it; they have destroyed the nesting grounds of the large flocks of water fowl—snowy egrets, white ibis, and so on. But their greatest toll is in burning deep into the muck itself, thus robbing it of its value as farmland. Several hundred thousand acres of muck have already been destroyed in this way, it is claimed.

There have been fires in the Everglades before, of course, but many people say that this spring's fires are the worst. They claim that too much of the Everglades has been drained, so there is no water to prevent the fires from burning into the muck. Aside from its value as farmland, the Everglades is one of the most unique sections in North America. Several hundred Seminole Indians live there—many of them following the customs of their ancestors, and having little contact with white people.

War-Profits Tax

With the support of more than half the Senate, Senator Bone of Washington introduced a bill into Congress recently to "tax the profits out of war" by levying an extremely heavy tax on all incomes as soon as the United States declares war. On an in-

come of \$20,000, the tax would be \$60; on \$20,000, it would be \$10,240; on one million dollars, it would be \$989,020. In other words, it would be almost impossible for any person to do more than earn a living while the war was going on. Certainly it would be impossible for anyone to amass a huge fortune, such as was done during the World War.

Also, they argue that the heavy taxes would enable the government to pay for the war as it was being fought, without going deeply into debt. The bill has been sharply criticized by some observers, however, who claim that it would cause our economic system to break down entirely. They contend that since we operate under a capitalistic system, it is necessary that we permit profits to be made, during war as well as peace. Senator Bone's bill, they say, would discourage business to such a degree that most firms would promptly shut down if war were declared. Those who favor the bill do not agree with this viewpoint, of course, but it is a question which could hardly be settled without an actual trial.

It seems very doubtful that the bill will ever become law. It is attracting a great deal of attention because the nation is greatly concerned with the danger of war. But it has a long and difficult path to travel before it gets through Congress. Many legislators who favor it now might very easily change their minds when it comes to the point of voting for it.

Filming Denver

Pupils in Denver schools are learning about their city by making moving pictures of it. Five different films will be produced during the next three months. One of them will take up "Denver's Food Supply"; it will show markets, grocery stores, canneries, meat-packing plants, cold-storage plants, and so on. It will trace all sorts of foods from the time they come into Denver until they are sold. Another picture will deal with "Shelter in Denver," going into the problem of housing. Another will take up "The Protection of Our Health," while the other two will tell "How to Have a Good Time in Denver" and "How to Get a Job in Denver."

Each of these films will be about 400 feet long. Pupils will do almost all the work in producing the films. Then the pictures will be shown to the pupils in Denver schools.



COURTESY WESTINGHOUSE ELECTRIC COMPANY
A DROP OF WATER AS SEEN IN THE MICROVITARUM
AT THE NEW YORK WORLD'S FAIR



THE PORT OF JIM

Home and Abroad

What We Are Doing, Saying, and Thinking

and to any groups of older persons interested in them. School officials in many other cities are watching the Denver experiment with interest; if it works out satisfactorily, the plan may be put into operation in other places next year.

Can Europe Escape War?

A timely and important discussion will be broadcast on the "Town Meeting of the Air" program, Thursday evening at 9:30 p. m., eastern standard time, when five well-known speakers consider the question, "Can Europe Escape War Now?"

Four of the speakers have been selected.



WIDE WORLD

FROM THE AIR

They are Raymond Clapper, Washington columnist for the Scripps-Howard newspapers; Raymond Gram Swing, veteran foreign correspondent, editor, and author; Frederick L. Schuman, professor of government at Williams College and writer on European affairs; and S. K. Ratcliffe, English journalist. These men are all well informed on the question to be considered; they view it from different angles, and consequently should give it a thorough airing.

FOREIGN

Danzig and the Corridor

When the modern state of Poland first began to take shape at the close of the World War, the treaty makers at Versailles recognized one very serious difficulty—that of communication with the rest of the world—which might well jeopardize the existence of a Polish state. Germany blocked routes to the southwest, the west, and the north; Soviet Russia loomed in the east, and the new and experimental Czechoslovakia lay across the length of the southern borders. How could Poland trade with other nations on her own terms? The great central artery of the region, the Vistula River, flowed north and emptied into the Baltic in German territory—Danzig. The River Niemen, down which lumber was floated to the sea, likewise flowed into German territory—Memel.

Accordingly, the Versailles statesmen set about to rectify these disadvantages. Danzig was made a "free city," although in reality it is an entire region containing 754 square miles, over 400,000 people and 16,000 farms. A corridor, 50 miles wide, was cut through Germany from Poland to Danzig and the sea. The fact that Memel was seized by Lithuania took the mouth of the Niemen out of German hands. Thus Poland was, for a time, fairly well off. She used the Vistula to float com-

merce down into Danzig, and in addition, she built a port of her own, turning the tiny fishing hamlet of Gdynia, at the end of the corridor, into a busy, prosperous, modern seaport.

But now, once again, Poland's lines of communication to the Baltic are in grave danger. Having seized Memel, Germany now controls the mouth of the Niemen. Although a 10-year nonaggression pact signed in 1934 protects Poland from German aggression, the Poles fear that Hitler may tear up that treaty. For several years Danzig has been a free city in name only, and has really been controlled by the Danzig Nazis. Now the Poles fear that Hitler will try to annex Danzig and possibly the corridor, too. A sudden campaign in the German press against Poland gives some credence to these fears, since its tone is ominously akin to that used against the Czechs.

Petroleum Politics

Ever since the first years of this century the growing importance of oil—that fluid without which machinery could not run, planes could not rise from the ground, and modern ships could not sail—has increasingly and profoundly influenced the course of international events. Everywhere, day and night, an underground struggle has agitated matters as small nations, such as the Netherlands, have tried to keep what they have, and as larger nations and private corporations have maneuvered to increase their holdings. The rich oil fields of Rumania, of the Soviet Caspian regions, of the Persian Gulf, and of the hinterlands of Arabia and Iraq, have been prominent as the objectives of these various drives.

The Western Hemisphere has not been unruffled by these events, for it produces 78 per cent of the world's oil. The United States, producing 63 per cent of the world's supply, is far in the lead of any other nation, but Venezuela, producing nine per cent of the total, and Mexico, Colombia, Bolivia, Peru, and Argentina are also important. Big corporations, some of them backed by powerful governments, have sunk hundreds of millions of dollars in investments in Latin-American fields. In recent years there has been a tendency in Latin-American capitals to try to gain control of the oil properties operated by foreign interests. These tendencies have found expression in seizures—in expropriation laws, such as those of Mexico and Bolivia, and in nationalization of wells and refineries, as is the case in Brazil. The corporations, and the governments behind them, have naturally attempted to protect their investments, and a considerable amount of friction has resulted.

Both Mexico and Bolivia have been unable to compensate the foreign owners for these seizures. They simply do not have the money.



U. S. INDIAN SERVICE

SEMINOLE INDIANS OF THE EVERGLADES REGION IN FLORIDA



WIDE WORLD

AS HITLER REVIEWED HIS TROOPS IN PRAGUE

A recent decision of the supreme court of Bolivia proclaimed the Bolivian oil seizures constitutional, thus increasing the tension in that region. Negotiations between Donald Richberg, on the part of the American oil companies, and Mexican President Lazaro Cardenas, looking to the formation of a partnership between the Mexican government and the oil companies under which the Mexican fields would be operated jointly, recently ended in apparent failure, although it is possible they will be resumed shortly. Venezuela and Colombia have so far been able to strike a balance of compromise between outright expropriation by the state, which would bring about international difficulties, and outright exploitation by the companies. If the oil companies, on the one hand, and Mexico and Bolivia on the other, could reach similar compromise solutions, a painful thorn would be removed from Latin-American relations. But such solutions do not seem very likely—not in the near future, at least.

Japan Hesitates

It is rare that Japanese statesmen let it be known that they are undecided and divided among themselves on some important matter in foreign policy. Yet they have hesitated recently over the question of a hard and fast military alliance with Germany and Italy which would bind Japan to consider as her enemy anyone with whom Germany or Italy should fight. Some of the reactionaries in Japan have favored such an alliance. But those who are more liberal, and who are rarely heard from, notably Foreign Minister Arita, have opposed such a move with all their strength on the ground that it might involve Japan eventually in a war of overwhelming odds, and that its effect upon Britain, France, and the United States, as well as upon Russia, might be dangerous.

Although they wavered at home, in China the Japanese moved swiftly and in such numbers that Chinese armies were forced to begin another retreat last week. For many months there had been a lull over the war front (except in the north), and the sudden Japanese drive took the Chinese by surprise, driving them from their very important stronghold in Nanchang, the capital of Kiangsi province, which lies south of the Yangtze—a severe loss to the Chinese government which had been using Nanchang as a base for harassing operations against the Japanese forces in that section.

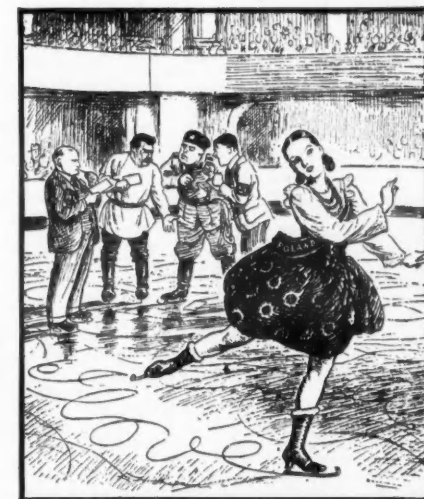
France-Italy-Spain

Although Mussolini has never shown Hitler's flair for delivering dramatic speeches at the most dramatic possible moment, his speech of last Sunday morning at first promised to outdo any of Hitler's. Hitherto there had been demands against such small states as Austria and Czechoslovakia on the part of Germany, but on the morning of March 26, one of the axis powers was at last expected to make demands on one of the great democracies—France. Frenchmen, uneasy and apprehensive in their memories of unofficial Italian demands for Tunisia, Corsica, and

Nice, gathered around their radios to hear what Mussolini had to say on this subject.

The voice that came to them, that of Mussolini addressing thousands of Fascisti on the occasion of the twentieth anniversary of the Fascist movement, was belligerent in the extreme, and the more belligerent it became, the louder the cheers. But when all was over, French and British alike breathed more easily. For Mussolini had been more moderate than had been expected, in spite of his belligerent tone, which was probably meant for domestic consumption. He did not press any far-reaching demands, nor did he set a time limit which would give his speech the character of an ultimatum. He suggested that an adjustment of difficulties between France and Italy was possible, and that only three matters needed to be cleared up—Jibuti (the French Somaliland port and terminus of the Ethiopian railway), the Suez Canal, in which Mussolini wants an enlarged interest, and the status of Italians in Tunisia.

Although the Duce's words were in line with the king of Italy's moderate speech of the week previous, Premier Daladier differed



LA POLONAISE—AN ENGLISH VIEW OF POLAND AND THE OTHER POWERS OF EUROPE

sharply from his foreign minister. Georges Bonnet, who wanted to take immediate steps to appease Italy. Backed by the majority of his cabinet, Daladier felt that the negotiations could not be opened until Mussolini declared his specific terms, exactly what he wants in Jibuti, in Tunisia, and in Suez. Daladier felt that unless Mussolini stated his claims at the outset, he might try Hitler's tactics of raising his demands every time he obtained a new concession. Because of Bonnet's position in the matter, his resignation was accepted, in the wake of which Daladier might take a firmer stand and make use of his far-reaching emergency powers to drive a hard bargain with Mussolini.

In the meantime, the Spanish civil war, the largest obstacle in the path of Franco-Italian relations, seems to have ended. Although no loyalist official would take the responsibility of accepting Franco's harsh terms of unconditional surrender, the loyalist front has disintegrated and Franco's troops are at long last pouring into Madrid.



ON THE EVE OF AMERICAN PARTICIPATION IN THE FIRST WORLD WAR
(From "The First World War" by Lawrence Stallings. Simon and Schuster.)

Historical Backgrounds

By David S. Muzzey and Paul D. Miller

American Participation in the World War

AS the possibility of war again looms in Europe, the attention of the American people turns once more to the World War, when, despite the desires and attempts which were made to remain aloof from that conflict, the United States was drawn into that greatest of all struggles. The enactment of neutrality legislation was but one manifestation of the almost unanimous desire on the part of this country to avoid the mistakes of the past and immunize this nation from future wars in



DAVID S. MUZZEY

Europe or Asia. With the passage of time, however, the whole question has been reopened as demands for revision of the neutrality laws have been made in various quarters. As this subject, which is discussed elsewhere in this issue of THE AMERICAN OBSERVER, has again come to the fore, it is appropriate to consider once more America's experience at the time of the World War and to ferret out, if possible, certain of the causes of our being drawn into that struggle.

No Single Cause

It is a mistake to assume that any single cause was responsible for American participation in the World War. It was rather a combination of causes which led to the fatal decision in April 1917 to enter the war on the side of the Allies. Despite the appeals of the President for complete neutrality "in fact as well as in name" on the part of the people and the request that they refrain from any action which might be "construed as a preference of one party to the struggle above another," the American people soon took sides. Their emotions were aroused in favor of one side or the other. Early in the struggle a majority seemed to favor the Allied cause. The very nature of the conflict in Europe was such as to promote this unneutral attitude. Germany was regarded as the aggressor, there were deep ties between this country and the Allies, especially England, ties of common ancestry, democratic tradition, and the like, which made it impossible for the people to remain neutral.

So far as the violation of American rights was concerned, the Allies were as guilty as the Central powers. As a century earlier, during the Napoleonic wars, both groups of belligerents completely disregarded the principles of international law and interfered with American trade with belligerents and with neutral powers. Protests to Eng-

land were of no avail in redressing the wrongs. It must be said that the American ambassador to England was so pro-Ally in his feelings that he was unable to act effectively in protecting American rights, and did everything he could actually to use the influence of the United States toward defeating the Germans.

This psychological factor played no small part in determining the ultimate choice of the United States government in 1917. It was naturally played upon by the Allies who, in the dissemination of propaganda, held the upper hand. They were able to shut off information coming to this country from Germany and her associates, with the results that most of the news coming from Europe was highly colored in favor of the Allies. The German atrocities and barbaric tactics were played up in order to whip up emotions in this country. The whole struggle became a mighty war between the forces of good and those of evil.

Economic Interest

Then there was the matter of economic interest. Long before the United States actually declared war upon Germany and her allies, the United States had a large stake in an Allied victory. The greatest financial house in this country, J. P. Morgan and Company, became the central purchasing agency of the Allies. Not only were munitions of war purchased, but foodstuffs, raw materials, and other goods necessary to keep the Allies going. Anglo-French loans soon ran into the hundreds of millions of dollars. In 15 months, more than a billion dollars' worth of French and English bonds were sold to American investors. America's entire economy had become so closely linked to the Allies that a German victory would have spelled economic disaster to the nation.

Nor should the submarine warfare, so ruthlessly waged by the Germans, be disregarded. Americans were incensed at the sinking of ships on which Americans were traveling. When the Germans, despite warnings and threats, refused to spare American vessels, indignation in this country rose to new heights of fury.

There was the deeper motive, embodied in the Wilsonian concept of remaking the world on principles of democracy and justice. As Wilson himself expressed this attitude held by a majority of the people: "Our object now is to vindicate the principles of peace and justice in the life of the world as against selfish and autocratic power and to set up amongst the really free and self-governed peoples of the world such a concert of purpose and of action as will henceforth insure the observance of those principles."

Under Terms of New Trade Treaty Nazis Gain Influence in Rumania

(Concluded from page 3)

have long wanted these provinces back. The Rumanians did not want to find themselves in the position of the Czechs, for a war, or a heavy campaign of economic pressure by Germany and Hungary, supported by 1,300,000 Hungarians and 800,000 Germans who live in minority "islands" in Rumania might go very badly with King Carol's government, and end in the same manner that the campaign against the Czechs ended—with partition. Such a campaign would be rendered doubly effective by the fact that Germany now absorbs half of Rumania's exports, and thus exerts a powerful influence on Rumanian industry and commerce.

When the trade ultimatum was first presented, the Rumanian minister to London promptly informed the British government of what was taking place. The news excited both London and Paris, and prompted the sudden and strenuous efforts on the part of Mr. Chamberlain and M. Daladier to line up an anti-Nazi bloc in Europe. However, the British were apparently unable to agree whether to support Rumania or not. In the absence of a promise of direct military assistance in the event of a German attack on Rumania, the Rumanians found themselves with no course open but to submit, and to sign the trade treaty with Germany.

The Rumanians have not yet closed the door to cooperation with the nonaggressor powers, but they are not going to set themselves up as targets for the first Nazi barrage. Some Rumanians have reduced the situation to these terms: Rumania may help England, France, Turkey, Russia, and Poland, if these powers act quickly and decisively against Germany—even in spite of the new treaty. But if these powers do not act, then Hitler will control the eastern states of Europe anyway, and will be in a position to take whatever he wants by force, or by threatening the use of force.

In the meantime, the treaty has already

gone into effect—in its first stages. The Rumanian government is cooperating with the German economic missions, yet it is watching very closely the results of the efforts of France and Britain to gather together a "stop Hitler" bloc. So far these efforts have come to very little. England, France, and Russia are not afraid to make an open anti-Hitler declaration—a sort of warning—which is what the British have contemplated. But they have so far been unwilling to promise to Poland or Rumania that if these countries join, and if, in consequence, they are attacked by Germany, they will be immediately and fully supported by France and England. Thus Poland still hangs back, and without Poland, Rumania will have none of such a stand.

While matters are thus held in suspense, one British trade mission has gone to Russia, and another to Rumania. The smaller nations of Europe—Rumania, Poland, Yugoslavia, and others—having heard that Britain is now determined to stop Hitler, are watching to see how far Britain and France will go, with what assurance and effect they will act, before they decide with whom to cast their lot. If Britain and France fail to act soon, they are almost bound to lose Rumania. And since their loss will be Hitler's gain, it would be grave indeed.



RUMANIAN MINISTRY OF FOREIGN AFFAIRS
RUMANIAN PEASANTS

Locate Yourself!

Types of Students and Analysis of Prospects

Type 23

THE foreign service of the United States, frequently referred to as the "diplomatic service," holds a strong appeal for a large number of young men who yearn to see the world and to enter into the agreeable social life which they associate with such a career. The prospective diplomat should not, however, become unduly optimistic over his chances in this line of work, because there are many unfavorable considerations to be taken into account.

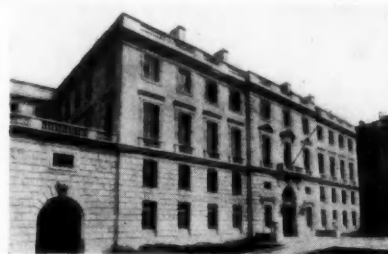
In the first place, it is extremely difficult to receive an appointment in the foreign service of the United States government. There are relatively few positions to be

statistics and transactions and in elementary accounting; a thorough knowledge of French, German, or Spanish; economics, including a knowledge of the natural industrial and commercial resources of the United States; political and commercial geography; American history; the history of Europe, Latin America, and the Far East; English grammar and composition.

Those who receive appointments in the foreign service may be sent to any one of the embassies or legations which the United States maintains in more than 50 foreign capitals, or they may be sent to the consulates general or consulates or vice-consulates which are located in more than 250 cities in the world. The successful candidate has nothing to say about the city to which he will be sent; he is as likely to be ordered to Singapore as to Paris.

Unless one is prepared to accept with good grace a post in any part of the world, he should immediately give up the idea of entering the foreign service. There are many who are willing to go anywhere in the world and who feel that a foreign service career offers enough excitement and adventure to offset the disadvantages of being sent to one of the less desirable posts.

One who aspires to a career in the foreign service would do well to write to the Department of State in Washington, D. C., for a pamphlet entitled "The American Foreign Service: General Information for Applicants and Sample Instruction Examination Questions," which outlines the various requirements. He should then prepare himself by taking the subjects covered in the examinations. He should make up his mind that he will not be disappointed if he fails to make the grade.



THE AMERICAN EMBASSY IN PARIS

filled each year and the number of aspirants is great.

The examinations given by the Department of State to candidates for the foreign service are notoriously difficult. Both written and oral examinations are given. The written examinations are given on three successive days and cover a wide range of subjects, including the following: elements of international, maritime, and commercial law; arithmetic as used in commercial

Personalities in the News

WHEN the Democrats met to choose their presidential candidate for 1912, Champ Clark of Missouri seemed to be the logical choice. In fact, a majority of the delegates voted for him on the tenth ballot. But the Democrats had a rule that required a two-thirds vote before nomination—and before Champ Clark could pick up enough votes to give him the necessary two-thirds, William Jennings Bryan delivered a speech opposing Clark's nomination. That speech swung votes away from Clark, and as a result Woodrow Wilson was picked as the Democrats' candidate.

One of Champ Clark's most active supporters at the 1912 convention was his 22-year-old son, Bennett Champ Clark. Now Bennett Clark is serving his second term as a senator from Missouri, and is being prominently mentioned as a possible Democratic presidential choice in 1940. Although Senator Clark has supported President Roosevelt on many occasions, at present he is considered to be a member of the Garner group in Congress—which means that he favors a more conservative course than the President has been following.

The tall, heavily built Missouri senator is a veteran politician. He has been making political orations since he was in his teens, campaigning first for his father and later for himself. He was a practicing lawyer until 1933, when he was appointed to fill out an unexpired term. In that same year, he was elected to his first full term in the Senate. Last fall the voters of Missouri gave him a second term by an overwhelming margin, in spite of the fact that the state political machine opposed him and the New Deal gave him practically no support.

Senator Clark served as a colonel during the World War, and was one of the founders of the American Legion—also its first national commander. But he hates war, and would go to almost any length to keep this nation out of a European conflict. Along with Senators Nye, Borah, and Johnson, he opposes President Roosevelt's foreign policy, because he believes it will involve the United States in European affairs to such an extent that we cannot stay out of a war if and when it comes.

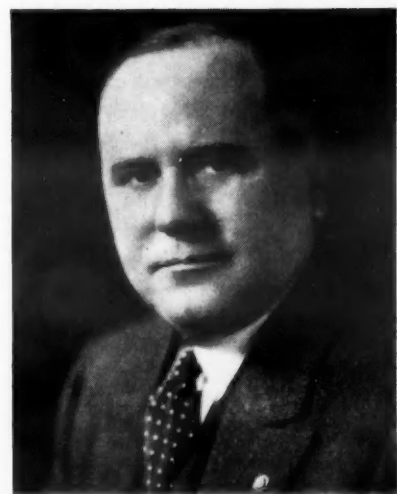
ONE of President Roosevelt's ablest lieutenants in the Senate is Key Pittman of Nevada. As chairman of the Senate's committee on foreign affairs, Senator Pittman has a great deal of influence in shaping this nation's foreign policy. A few days ago, he introduced a bill entitled the "Peace Act of 1939," intended to make certain fundamental changes in present laws concerning neutrality (see page 1). In general, Senator Pittman's bill reflects the wishes of the President. No doubt it will be the subject of sharp debate once it reaches the floor of the Senate, and Senator Pittman will be in the front ranks to defend it.

As a young man, Key Pittman was afflicted with the wanderlust. He was

born in Mississippi; he went to college for a time in Tennessee; he became a lawyer and started practice in the state of Washington. But about that time it was learned that gold had been discovered in Alaska. The young lawyer packed away his books, and started north. He spent several years in the Klondike region, but he did very little prospecting for gold. When his fellow miners learned that he was a lawyer, they enlisted his aid in straightening out their claims and handling other legal matters for them. He helped to set up a government at Nome, and became the first district attorney there.

In 1900, Key Pittman left Alaska, stopped in California long enough to get married and to win some legal battles for his miner friends in Alaska, and settled in Tonopah, Nevada, which has been his home town ever since. His interests in a telephone company and in several Nevada mines earned him a good income as well as a state-wide reputation. In 1910, he ran for the Senate, as a Democrat, but was defeated. Two years later, however, one of the Nevada senators died, and Key Pittman was elected to fill out the unexpired term. Nevada voters have been returning the tall, lean senator to Washington ever since, and will probably continue to do so as long as he wants to serve.

BECAUSE of the fact that his office is more honorary than executive, the president of France rarely receives as much notice in the press as he did upon his recent state visit to England. Generally his duties are limited to acting as host at state functions, presiding at patriotic ceremonies, and keeping clear of politics. In French political circles the office is not very popular—one reason being that it has "no future." Of the last 14 presidents, only six have completed their terms, six having been forced to resign and two having been assassinated.



BENNETT CHAMP CLARK

Albert Lebrun, the present president of France, is one who has been able to exhibit in that office the combination of restraint, nonpartisanship, and culture which the French expect of their president. Educated as an engineer, an expert and author of various textbooks on that subject, he received his start in politics by chance, when voters of his village elected him to the village council under the misapprehension that they were voting for his father.

Later he was elected to the Chamber of Deputies in Paris, and subsequently, partly because of his friendship with the former premier and president, Raymond Poincaré, he occupied a series of offices, largely honorary, culminating in those of minister of colonies, vice-president of the Senate, and finally president of that body.

A cultured man, a lover of classical music, an author, a good orator, and an authority on social procedure, Albert Lebrun was picked by the French people in 1932 to be their president. His term

has now virtually expired, but it is generally believed that on April 8 he will be returned to office for another seven-year term.

BY a freak of circumstance, the Rumanian statesman who made public the recent German-Rumanian trade treaty, the terms of which so greatly favored Germany to the detriment of Britain and France, is a great friend of Britain, and himself of British ancestry. The great-grandson of a Scot who moved to Russia at the invitation of the czar, and later to what is now Rumania, Grigore Gafencu, the present Rumanian foreign minister, still looks and dresses like a Britisher. Otherwise he is strictly a Rumanian—one of the younger and more vigorous statesmen who have striven against lethargy and corruption to bring some semblance of statecraft and efficiency into the handling of Rumanian state affairs.

Like many of Europe's present-day leaders, Gafencu first gained fame in the World War in which he served as an



GRIGORE GAFENCU



ALBERT LEBRUN

aviator with such distinction as to be decorated by the British government. Later he played an important part in Rumanian political life as undersecretary of foreign affairs, and as owner and editor of the influential newspaper *Timpu*. In both positions he strongly advocated a single policy for Rumania and the other states of Europe lying between Russia and Germany—that of a solid economic bloc. Unless these small states acted together, he said repeatedly, Germany would gobble them up one by one.

Just a little over a year ago, when King Carol abruptly dismissed the incompetent Octavian Goga from the Rumanian premiership, Gafencu suggested to the monarch that he form a government of younger men. Some time later, Carol adopted his plan in part, and Gafencu was made foreign minister. He only assumed his office, however, to see the worst of his fears come true as Germany did, indeed, begin to extend her power over the small states of Central Europe, one of the most recent to feel the effects being his own Rumania.

Something to Think About

Are You Sure of Your Facts?

1. What are some of the provisions of international law with respect to neutral rights in time of war?
2. What is meant by the "cash-and-carry" provision of the Neutrality Act?
3. What are the principal amendments to the Neutrality Act now being advocated?
4. Name the principal products of Rumania.
5. How will the economic life of Rumania be affected as a result of the recent trade agreement signed with Germany?
6. What is Hungary's principal grievance against Rumania?
7. Why did Bennett Champ Clark's father fail to receive the Democratic presidential nomination in 1912?
8. What are the principal duties of the French president and how long is his term of office?
9. Where are most of the oil resources of the world located? Which country has the greatest supply?
10. What change in the Social Security Act has been proposed by Secretary of the Treasury Morgenthau?
11. On what issue has the Japanese government recently been divided?
12. Where are the Everglades located?
13. Where is Gdynia located and what is its principal value?
14. What were the principal demands made by Mussolini in his speech of last week?

Can You Defend Your Opinions?

1. Are you in favor of maintaining the present Neutrality Act or of amending it? Which course do you think would be more likely to keep the United States out of war?
2. What effect do you think amendment of the Neutrality Act would have upon the policy of England and France? of Germany?
3. Disregarding the possible political consequences, do you think that Rumania will benefit or suffer from the trade agreement with Germany?
4. How has Germany's economic position been affected by the agreement with Rumania? What are likely to be

its effects upon such nations as England and France?

5. What do you think should be the principal activities of student government in a high school?

6. In your opinion, what were the principal causes of America's participation in the World War?

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REFERENCES ON RUMANIA: (a) Rumania's Uneasy Seat, by S. V. Hastings. *Current History*, March 1939, pp. 37-39. (b) Carol Takes Over. *Living Age*, January 1939, pp. 414-418. (c) Rumania Decides. *The New Republic*, January 4, 1939, p. 245. (d) Rumania, Another Spain? by H. C. Wolfe. *Harpers*, April 1938, pp. 530-539. (e) Rumania's Gateway to the Black Sea, by C. Hodges. *Travel*, February 1939, pp. 24-27.

PRONUNCIATIONS: Raymond Poincaré (ray-moan' pwahn-kah-ray'), Albert Lebrun (al-bair' luh-bruhn'), Grigore Gafencu (gree-goe'ree gah-fen'koo'), Octavian Goga (oak-tah'vian goe'gah), Memel (may'mel), Banat (bah'naht), Daladier (dah-lah-dyay'), Versailles (vair-si'—i as in ice), Danzig (dahn'tsik), Vistula (vis'tu-lah—u as in use), Gdynia (g-deen'yah), Lazaro Cardenas (lah'sah-roe kar'day-nahs), Arita (ah-ree'tah), Kiangsi (kyahng'see'), Yangtze (yang'tsee'), Nanchang (nahn'chahng'), Tunisia (too-nish'ia), Nice (nees'), Fascisti (fah-shee'stee'), Jibuti (jee-boo'tee'), Somaliland (soe-mah'li-land), Il Duce (eel' doo'chay'), Murmansk (moor-mahn'sk), Azores (ah-zorz'), Eccles (eck'uls), Berchtesgaden (bairk'tes-gah-den), Godesberg (goe'tes-bairg').



KEY PITTMAN

The Controversy Over the Neutrality Act

(Concluded from page 1)

The British could not simply declare that they had blockaded the French ports and then seize goods shipped to the French. A blockade to be legal must be backed by force. That is, the British were required actually to have ships in front of the ports in sufficient number so that they could ordinarily stop ships which were trying to run the blockade. If they did have such a blockade and a ship of a neutral nation tried to run through, it could be captured and any goods, whether contraband or not, could be seized.

Many Rights

It will be seen, therefore, that the citizens of a neutral nation could carry on a great deal of trade with the belligerents, though this trade was subject to certain restrictions and interruptions. The citizens of the neutral nation might also make loans to a belligerent power (that is, a nation at war). Citizens of a neutral country could travel on the ships of a belligerent. In general, a neutral country continued many of its normal relations with the fighting nations and their citizens.

These general rules were in operation at the time of the World War. The United States, during the first three years of the war, was a neutral. Our government took no sides in the conflict. Our citizens, however, undertook to trade with the belligerent nations. They could not trade much with Germany because Great Britain had a navy superior to Germany's, and con-

gave many Americans an interest in the outcome of the war, for if the British and French had lost the war there was no hope that the debts could be paid back.

After the close of the war, the feeling developed in the United States that we had been drawn in because of our insistence upon trading with belligerent nations. Many people argued to this effect: "If we insist upon selling goods to nations which are at war, the enemies of these nations will undertake to prevent the trade, and this will bring them into conflict with us and will draw us into the war. If we wish to keep out of future wars, we must give up some of the practices of trading with belligerents which we have carried on in the past. These practices have been legal according to international law and still are, but nevertheless they produce conflicts and lead us to war. We must therefore change our neutrality laws so that we will not come into conflict over trade with the nations which are fighting."

Recent Neutrality Legislation

In 1935 Congress enacted a neutrality law in line with this argument. The law was amended in 1937. As it now stands it carries the following provisions:

1. When a foreign war is in progress, American citizens may not sell munitions or implements of war to any of the belligerents.

If this rule is enforced, the United States will no doubt be less likely to get into war over trade. It will remove much of the friction which caused trouble during the World War. It will, however, prevent nations which control the seas, such as Great Britain and France, from reaping the advantage which sea control naturally gives them. They can no longer depend upon America for war supplies. The enforcement of this provision would not hurt nations like Germany and Italy because they could not buy our supplies even if permitted to do so by law, for they would be blockaded. In effect this provision is injurious to Great Britain and France.

Those who feel that the most important thing for us to do is to keep out of war naturally urge that this provision be kept. Those who think it would be dangerous to us for Germany and Italy to win a war, and who think that Great Britain and France should be able to buy airplanes and other war materials here, want this provision repealed. The Roosevelt administration wants it repealed for the President sympathizes deeply with the democracies and, while not advocating our going to war to support them, does advocate our making it possible for them to buy war supplies here. Senator Pittman of Nevada, chairman of the Senate Foreign Relations Committee, is working for an amendment to the Neutrality Act which would permit belligerents to buy war supplies from American companies provided they pay cash and carry the goods away in their own ships.

2. While munitions of war; that is, contraband, may not be sold by Americans to belligerents, other kinds of merchandise may be. There is a provision, however, that if the President sees fit to do so he may require that general merchandise may be sold by Americans to belligerents only if cash is paid and if the goods are carried away in foreign ships.

President Roosevelt would probably not put this part of the law into effect if there should be a war between Great Britain and France on the one hand and Germany and Italy on the other. He would probably not wish to make it harder for the British and French to buy goods in America, and they are the ones who would be hurt by restrictions, since the Germans and Italians would be prevented from trading with us, whatever our laws might be, by the British and French navies.

Because of the general feeling that President Roosevelt would not put this "cash-and-carry" plan into effect in case of a European war, there are a number of members of Congress who would like to change the law so as to take away from the President the power to decide whether to do so. They would have the law changed so as to make it absolutely unlawful for Americans to sell any kind of goods to belligerents unless cash were paid and the goods were carried away in foreign ships. Those who advocate this change do not want the United States to give any kind of help to the British or French or any other nations at war. They think that the most important thing for us to do is to keep out of foreign wars.

This provision giving the President power to put the cash-and-carry plan into effect on the outbreak of a foreign war will expire April 30 unless it is renewed. That is why the subject will be debated hotly in Congress during the month of April.

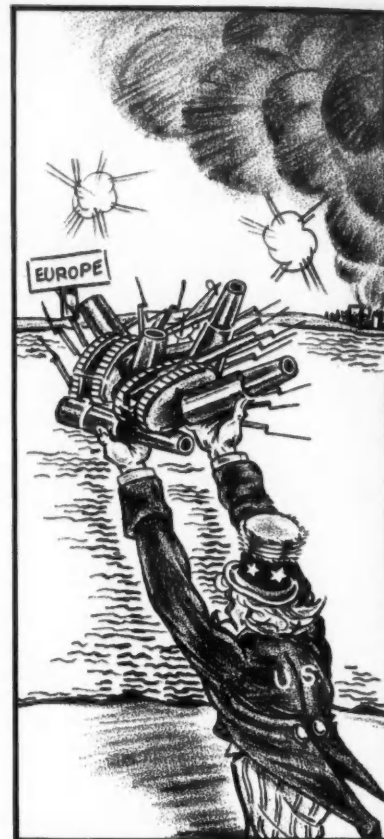
3. Americans may not lend money to a nation which is at war.

4. American citizens may not travel on the vessels of a belligerent nation. If they do travel on such a vessel and are killed, our government will not complain. They must travel on belligerent vessels at their own risk. This provision will prevent disputes such as arose when the Germans sank the *Lusitania*, a British vessel with Americans aboard.

From Two Directions

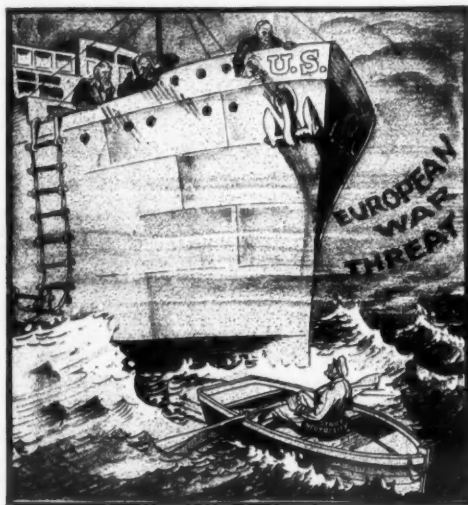
From what has been said it will be seen that the Neutrality Act is under fire from two directions. There are those who wish to make it stronger by providing that whether the President wishes it or not the sale of all kinds of goods to foreigners at war shall be forbidden unless they pay cash and carry the goods away in their own boats.

An attempt from the other direction is being made to amend the Neutrality Act by those who emphasize the importance of our



JOHNSON
SHOULD THE UNITED STATES SELL WAR MATERIALS TO EUROPE?

giving some kind of aid to the democracies and who want to do away with the iron-clad rule that Americans may not sell arms or ammunition or any implements of war to any belligerent nation. The Roosevelt administration favors such an amendment. It is certain, therefore, that the debate over the changes in the neutrality law will bring up for discussion the fundamentals of our foreign policy. The big question is, shall we do everything necessary in order to keep out of war whatever may happen in Europe, or shall we run some risk of being involved in a European war in order to help the democracies if they fight Hitler and Mussolini?



WARREN IN NEW YORK POST
NO TIME TO DROP THE PILOT

trolled the seas. The British established a blockade of the German ports and were able to stop ships which undertook to carry goods to the Germans. The British and French, however, bought American goods freely. Not only did they buy general merchandise, but they bought guns and other implements of war. They bought steel and copper and goods used directly in making war supplies.

Trade of this kind was legal. It was carried on in accordance with the general practices of international law. The Germans, however, were greatly angered because the British and French were able to get American goods and war supplies while they were not. They could not stop this trade by the usual means; that is, by maintaining an actual blockade of British and French ports. They could, however, seriously cripple the trade by submarine raids. Their submarines sank a good many ships carrying goods from America to Great Britain and France. American lives were lost when the ships were torpedoed. The American government resented this and America finally went to war with Germany in protest.

American Interest

The situation was further complicated by the fact that American companies selling goods to the British and French lent the governments of those nations money with which to buy the goods. In other words, they sold the goods on credit. This

Smiles

"Want to leave us, Mary? I thought you enjoyed your work here. What is it for—something private?"

"No, ma'am, it's a sergeant."

—TROY TIMES-RECORD

Foreman: "So you wanna quit us. Don't the wages suit you?"

Pat: "The wages is all right, but I feel guilty fer cheatin' a horse out of a job."

—WALL STREET JOURNAL

The African explorer had seen many gnus during the day. In the evening, his native cook served him a delicious steak.

"This is one of the finest steaks I've ever eaten," he exclaimed to his guide. "Is it gnu?"

"No," said the guide, "but it's just as good as gnu."

—CLIPPED

Judge: "Give the court your name, occupation, and state the charge against you."

Defendant: "My name is Sparks, I am an electrician, and I am charged with battery."

Judge: "Officer, place this man in a dry cell."

—PATHFINDER

Mistress: "I am a woman of few words. If I beckon with my finger that means come."

New Maid: "That suits me, ma'am. I'm a woman of few words myself. If I shake my head that means I ain't comin'."

—CLIPPED



HUNTER IN AMERICAN BOY
"SORRY—EVERYONE'S GONE TO THE CONVENTION. I'M JUST THE SKELETON OFFICE FORCE."

Bulls and bears aren't responsible for as many losses on the stock market as are human steers.

—WASHINGTON POST

Customer: "How's the vegetable soup today?"

Waiter: "Well, it's a good deal like our hash, only it's looser."

—BRUSHING UP

"What? You flunked that course again?"

"What do you expect? They gave me the same exam."

—PATHFINDER

"Sammy," asked the teacher, "how many make a million?"

"Not many," answered Sammy quickly.

—INDIANAPOLIS NEWS

Doctor: "Sandy, your recovery is largely due to your own powers of resistance."

Sandy: "Then you won't be charging me your full fee?"

—EXCHANGE

The teacher was explaining the law of gravitation, and how it prevents people from falling off the earth. When he had finished he invited questions from the class.

"Please, sir," said one pupil, "what kept them on the earth before this law was passed?"

—FLORIDA TIMES-UNION

Our favorite hate is the public speaker who takes the first five minutes explaining what a poor talker he really is and the next 45 proving it.

—EXCHANGE

"Are you and your girl friend on speaking terms?"

"Well, I'm listening again."

—SAVINGS JOURNAL

A girl was overheard to say: "I can't get along with my boy friend lately. He ignores me, and if there's anything that makes me hopping mad it's ignorance."

—CLASSMATE

Judge: "Have you ever been in trouble before?"

Gangster: "All I ever did was to rob my kid brother's bank."

Prosecutor: "Your honor, he didn't explain that his kid brother is cashier of the Fifth National."

—CLIPPED